



DEPARTMENT OF AGRICULTURE

Rural Business-Cooperative Service

[DOCKET No: RBS-23-CO-OP-0002]

Notice of Funding Opportunity for Rural Cooperative Development Grants for Fiscal Year 2023

AGENCY: Rural Business-Cooperative Service, USDA.

ACTION: Notice.

SUMMARY: The Rural Business-Cooperative Service (RBCS or the Agency), a Rural Development (RD) agency of the United States Department of Agriculture (USDA), invites applications for grants under the Rural Cooperative Development Grant (RCDG) program for Fiscal Year (FY) 2023. This notice is being issued to allow applicants sufficient time to leverage financing, prepare and submit applications, and give the Agency time to process applications within FY 2023. Funding of \$5.8 million will be available for FY 2023. Successful applications will be selected by the Agency for funding and subsequently awarded. All applicants are responsible for any expenses incurred in developing their applications.

DATE: Completed applications must be submitted electronically by no later than 11:59 p.m. Eastern Time, [INSERT DATE 60 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER], through www.grants.gov, to be eligible for grant funding. Late or incomplete applications are not eligible for funding under this notice and will not be evaluated.

ADDRESSES: All applications must be submitted electronically at www.grants.gov. Additional resources are available at <https://www.rd.usda.gov/programs-services/rural-cooperative-development-grant-program>.

Applicants are encouraged to contact the USDA Rural Development State Office for the State where the project will be located in advance of the application deadline to discuss the project and ask any questions about the RCDG program or the application process. Contact

information for USDA Rural Development State Office can be found at

<https://www.rd.usda.gov/contact-us/state-offices>.

FOR FURTHER INFORMATION CONTACT: Lisa Sharp at lisa.sharp@usda.gov, Business Loan and Grant Analyst, Program Management Division, RBCS, USDA, 1400 Independence Avenue, S.W., Mail Stop-3226, Room 5160-South, Washington, D.C. 20250-3226, or call (202) 720-1400. Persons with disabilities that require alternative means for communication should contact the USDA Target Center at (202) 720-2600 (voice); or the 711 Relay Service.

SUPPLEMENTARY INFORMATION:

Overview

Federal Awarding Agency Name: Rural Business-Cooperative Service

Funding Opportunity Title: Rural Cooperative Development Grants

Announcement Type: Notice of Funding Opportunity

Funding Opportunity Number: RBCS-RCDG-2023

Assistance Listing Number: 10.771

Dates: Completed applications must be submitted electronically by 11:59 p.m. Eastern Time on,

[INSERT DATE 60 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL

REGISTER], through www.grants.gov, to be eligible for grant funding. Late or incomplete applications are not eligible for funding under this notice and will not be evaluated.

Rural Development Key Priorities: The Agency encourages applicants to consider projects that will advance the following key priorities:

- Assisting rural communities recover economically through more and better market opportunities and through improved infrastructure;
- Ensuring all rural residents have equitable access to RD programs and benefits from RD funded projects; and
- Reducing climate pollution and increasing resilience to the impacts of climate change through economic support to rural communities.

A. Program Description

1. *Purpose of the Program.* The primary objective of the RCDG program is to improve the economic condition of rural areas by helping individuals and businesses start, expand, or improve rural cooperatives and other mutually owned businesses through Cooperative Development Centers.

2. *Statutory and Regulatory Authority.* The RCDG program is authorized under Section 310B(e) of the Consolidated Farm and Rural Development Act (CONACT) (7 U.S.C. 1932(e)), as amended by the Agriculture Improvement Act of 2018 (Public Law 115-334, Title VI, Secs. 6412-15, 6601(a)(1)(B), 6701(c), (d)(1)) and implemented by 7 CFR part 4284, subparts A and F.

The Consolidated Appropriations Act, 2023, (Pub. L. 117-328, Division A, Title VII, Section 736 has designated funding for projects in Persistent Poverty Counties (PPC). Persistent poverty counties are defined in Section 736 as “any county that has had 20 percent or more of its population living in poverty over the past 30 years, as measured by the 1990 and 2000 decennial censuses, and 2007–2011 American Community Survey 5-year average, or any territory or possession of the United States.” The eligible population in persistent poverty counties includes any county seat of any persistent poverty county that has a population that does not exceed the authorized population limit by more than 10 percent. This provision expanded the current 50,000 population limit to 55,000 for only county seats located in persistent poverty counties.

3. *Definitions.* The definitions applicable to this notice are published at 7 CFR 4284.3 and 7 CFR 4284.504. In addition, the terms “rural” and “rural area,” defined in 7 U.S.C. 1991(a)(13), are incorporated by reference, and will be used for this program instead of the definition of “Rural and rural area” currently published at 7 CFR 4284.3.

Mutually owned business – An organization owned and governed by members who are its consumers, producers, employees, or suppliers.

4. *Application of Awards.* The Agency will review, evaluate, and score applications received in response to this notice based on the provisions found in 7 CFR 4284.511, 7 CFR 4284.512, 7 CFR 4284.513 and as indicated in this notice. Awards under the RCDG program will be made on a competitive basis using specific selection criteria contained in 7 CFR 4284.513.

B. Federal Award Information

Type of Award: Grant

Fiscal Year Funds: FY 2023

Available Funds: \$5.8 million will be available for FY 2023. RBCS may at its discretion, increase the total level of funding available in this funding round from any available source provided the awards meet the requirements of the statute which made the funding available to the Agency.

Award Amounts: Maximum amount \$200,000

Anticipated Award Date: September 30, 2023

Performance Period: The grant performance period should begin no earlier than October 1, 2023 and no later than January 1, 2024 and must include no more than a one-year performance period.

Renewal or Supplemental Awards: None

Type of Assistance Instrument: Financial Assistance Agreement

C. Eligibility Information

1. *Eligible Applicants.* Eligible applicants must meet the eligibility requirements of 7 CFR 4284.507. You must be a nonprofit corporation or an institution of higher education to apply for this program. Public bodies and individuals cannot apply for this program. Applicants must be aware of the following:

(a) At the time of application, each applicant must have an active registration in the System for Award (SAM) before submitting its application in accordance with 2 CFR 25.200. To register in SAM, entities will be required to create a Unique Entity Identifier (UEI).

Instructions for obtaining the UEI are available at <https://sam.gov/content/entity-registration>.

Further information regarding SAM registration and the UEI can be found in this notice.

(b) Applicants must certify that it has not been debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, “Debarment and Suspension.” The Agency will check the Do Not Pay system at the time of application and prior to funding any grant award to determine if the applicant has been debarred or suspended. Applicants are responsible for resolving any issues that are reported in the Do Not Pay system and if issues are not resolved by deadlines found in this Notice, the Agency may proceed to award funds to other eligible applicants. In addition, an applicant must comply with 7 CFR 4284.6 and will be required to certify as part of the application that they do not have an outstanding judgment against them.

(c) The Consolidated Appropriations Act, 2023, Pub. L. 117-328, Division E, Title VII, Sections 744 and 745 provide that any corporation that has been convicted of a felony criminal violation under any Federal law within the past 24 months or that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, is not eligible for financial assistance provided with funds appropriated by this Act, unless a Federal agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government

2. *Cost sharing or Matching.* A match of at least 25 percent (5 percent for 1994 Institutions) of the total project cost is required for the application. 7 CFR 4284.513(f). When calculating the matching funds requirement, round up or down to whole dollars as appropriate.

An example of how to calculate matching funds is as follows:

(a) Take the amount of grant funds requested and divide it by .75. This will provide the total project cost.

Example: \$200,000 (grant amount) / 0.75 (percentage for use of grant funds) = \$266,667 (total project cost)

(b) Subtract the amount of grant funds requested from the total project cost. This will provide the matching funds requirement.

Example: \$266,667 (total project cost) - \$200,000 (grant amount) = \$66,667 (matching funds requirement)

(c) A quick way to confirm the correct amount of matching funds is to take the total project cost and multiply it by .25.

Example: \$266,667 (total project cost) x .25 (maximum percentage of matching funds requirement) = \$66,667 (matching funds requirement)

The applicant must verify that all matching funds are available during the grant performance period and provide documentation with the application in accordance with requirements identified in Section D.2.b.8. If awarded a grant, additional verification documentation may be required to confirm the availability of matching funds.

Other rules for matching funds that applicants must follow are listed below.

- (a) They must be spent on eligible expenses during the grant period.
- (b) They must be from eligible sources.
- (c) They must be spent in advance or as a pro-rata portion of grant funds being spent.
- (d) They must be provided by either the applicant or a third party in the form of cash or an in-kind contribution.
- (e) They cannot include board/advisory council member's time.
- (f) They cannot include other Federal grants unless provided by authorizing legislation.
- (g) They cannot include cash or in-kind contributions donated outside of the grant period.
- (h) They cannot include over-valued, in-kind contributions.
- (i) They cannot include any project costs that are ineligible under the RCDG program.

(j) They cannot include any project costs that are restricted or unallowable under 2 CFR part 200, subpart E, and the Federal Acquisition Regulation (CFR Title 48) (for-profits) or successor regulation.

(k) They can include loan funds from a Federal source.

(l) They can include travel and incidentals for board/advisory council members if the organization has established written policies explaining how these costs are normally reimbursed, including rates. The applicant must include an explanation of this policy in the application, or the contributions will not be considered as eligible matching funds.

(m) The applicant must be able to document and verify the number of hours worked and the value associated with any in-kind contribution being used to meet a matching funds requirement.

(n) In-kind contributions provided by individuals, businesses, or cooperatives which are being assisted by the applicant cannot be provided for the direct benefit of their own projects as RD considers this to be a conflict of interest or the appearance of a conflict of interest.

3. *Other.*

(a) *Purpose eligibility.* Applications must propose the establishment or continuation of a cooperative development center. Applicants must use project funds, including grant and matching funds, for eligible purposes only (see 7 CFR 4284.508). In addition, project funds may also be used for programs providing for the coordination of services and sharing of information among the centers as stated in 7 U.S.C 1932(e)(4)(C)(vi).

(b) *Project eligibility.* All project activities must be for the benefit of a rural area.

(c) *Multiple applications deemed ineligible.* Only one application can be submitted per applicant. If two applications are submitted (regardless of the applicant's name) that include the same Executive Director and/or advisory boards or committees of an existing center, both applications will be determined ineligible for funding.

(d) *Grant performance period.* The application must include no more than a one-year grant performance period, or it will not be considered for funding. The grant performance period should begin no earlier than October 1, 2023, and no later than January 1, 2024. Applications that request funds for a period beginning after January 1, 2024, will not be considered for funding. Projects must be completed within a one-year timeframe. Prior written approval is needed from the Agency if the applicant is awarded a grant and desires the grant performance period to begin earlier or later than previously approved.

(e) *Satisfactory performance.* Applicants must be performing satisfactorily on any outstanding RCDG award to be considered eligible for a new award. Satisfactory performance includes being up to date on all financial and performance reports as prescribed in the grant award, and current on all tasks and timeframes for utilizing grant and matching funds as approved in the work plan and budget. If applicants have any unspent grant funds on RCDG awards prior to FY 2022, the application will not be considered for funding. If an applicant has prior award(s) with unspent funds of 50 percent or more than what the approved work plan and budget projected at the time a FY 2023 application is being evaluated, the application will not be considered for funding. The Agency will verify the performance status of the applicant's prior awards and make a determination after the FY 2023 application period closes.

(f) *Duplication of Current Services.* Applications must demonstrate that the applicant is providing services to new customers or new services to current customers. If the work plan and budget are duplicative of the applicant's existing award, the application will not be considered for funding. If the workplan and budget are duplicative of a previous or existing RCDG and/or Socially Disadvantaged Groups Grant (SDGG) award, the application will not be considered for funding. The Agency will make this determination at its sole discretion. Please note that the Agency only allows one active award to a grantee to ensure that there is no duplication of services.

(g) *Indirect costs.* Negotiated indirect cost rate approval does not need to be included in the application but will need to be provided if a grant is awarded. Approval for indirect costs that are requested in an application without an approved indirect cost rate agreement is at the discretion of the Agency.

D. Application and Submission Information

1. *Address to Request Application Package.* The RCDG program application template, copies of necessary forms and samples are available at <https://www.rd.usda.gov/programs-services/rural-cooperative-development-grant-program>. The RCDG program regulations are available at 7 CFR part 4284 subparts A and F. For further information, contact the USDA State Office where the project will be located at <http://www.rd.usda.gov/contact-us/state-offices>.
2. *Content and Form of Application Submission.* An application must contain all the required elements outlined in 7 CFR 4284.510 and this notice. Each application must address the applicable scoring criteria presented in 7 CFR 4284.513 and this notice for the type of funding being requested.

Applicants are encouraged, but not required, to utilize the application template found at <https://www.rd.usda.gov/programs-services/rural-cooperative-development-grant-program>. The application template provides specific, detailed instructions for each item of a complete application. The Agency emphasizes the importance of including every item and strongly encourages applicants to follow the instructions carefully, using the examples and illustrations in the application template.

Incomplete applications will be ineligible to compete for funds. Applications lacking sufficient information to determine eligibility and scoring will be considered ineligible. Information submitted after the application deadline will not be accepted.

(a) Clarifications on Forms.

- (1) *Standard Form (SF) 424, "Application for Federal Assistance."* Applicant's Unique Entity Identifier (UEI) number should be identified in the "Organizational

DUNS” field on the form. A System for Award Management (SAM) Commercial and Government Entity (CAGE) Code and expiration date under the applicant eligibility discussion in the proposal narrative must be provided. If a CAGE Code expiration date and the UEI number in an application are not provided, the application will not be considered for funding.

(2) *Form SF 424B, “Assurances – Non-Construction Programs.”* This form is no longer required as a part of the application. This information is now collected through the applicant’s registration or annual recertification in SAM.gov through the Financial Assistance General Representations and Certifications.

(3) *“Survey on Ensuring Equal Opportunity for Applicants.”* Nonprofit organizations may voluntarily fill this out and submit as part of the application.

(b) *Clarifications on Proposal Elements.* Requirements below are provided in addition to the requirements provided in 7 CFR 4284.510(c).

(1) *Title Page.* Must include the title of the project as well as any other relevant identifying information.

(2) *Table of Contents.* This must include page numbers for each component of the application.

(3) *Executive Summary.* In addition to the items in 7 CFR 4284.510(c)(3), this must discuss the percentage of work that will be performed among organizational staff, consultants, or other contractors. The summary must not exceed two pages.

(4) *Eligibility.* This discussion must also include matching funds and other eligibility requirements. This discussion must not exceed two pages.

(5) *Proposal Narrative.* Must not exceed 40 pages using at least 11-point font and should describe the essential aspects of the project.

(a) *Information Sheet.* If evaluation criteria are listed on the Table of Contents and then specifically and individually addressed in narrative form, it is not necessary

to include an information sheet. Otherwise, it is required as described at 7 CFR 4284.510(c)(5)(ii).

(b) *Goals of the Project.*

(A) Applicant must include a statement providing information outlined in 7 CFR 4284.510(c)(5)(iii)(A), (B), (C) and (D).

(B) Expected economic impacts should be tied to tasks included in the work plan and budget.

(c) *Performance Evaluation Criteria.* The Agency has established annual performance evaluation measures to evaluate the RCDG program and the applicant must provide estimates on the following:

- (A) Number of groups assisted who are not legal entities.
- (B) Number of businesses assisted that are not cooperatives.
- (C) Number of cooperatives assisted.
- (D) Number of businesses incorporated that are not cooperatives.
- (E) Number of cooperatives incorporated.
- (F) Total number of jobs created as a result of assistance.
- (G) Total number of jobs saved as a result of assistance.
- (H) Number of jobs created for the Center as a result of RCDG funding.
- (I) Number of jobs saved for the Center as a result of RCDG funding.

It is permissible to have a zero in a performance element. When calculating jobs created, estimates should be based upon actual jobs to be created by the organization because of the RCDG funding or actual jobs to be created by cooperative businesses or other businesses as a result of assistance from the organization. When calculating jobs saved, estimates should be based only on actual jobs that would have been lost if the organization did not receive RCDG

funding or actual jobs that would have been lost without assistance from the organization.

Additional performance elements may be included. In instances where job creation or job retention may not be a relevant indicator, applicants should provide relevant, specific and measurable performance elements that could be included in an award document. For example, applicants may consider the following as it relates to their specific work: housing cooperatives (number of units created or preserved); worker cooperatives (number of jobs created, number of employee-owned positions created); consumer cooperatives (number of people with access to groceries, renewable energy services); shared services cooperatives (number of businesses with access to affordable products or services, joint marketing, distribution channels); real estate cooperatives (number of community members invested in their community, number of real estate properties created or saved).

(d) *Undertakings.* The applicant must expressly undertake to do the following:

(A) Take all practicable steps to develop continuing sources of financial support for the Center, particularly from sources in the private sector;

(B) Make arrangements for the activities by the nonprofit institution operating the Center to be monitored and evaluated; and

(C) Provide an accounting for the money received by the grantee under this subpart.

(e) *Work Plan.* Work plan and budget proposal elements should be addressed under proposal narrative criterion in 7 CFR 4284.510(c)(5)(iv), utilizing the specific requirements of Section E.1(h) of this notice.

(f) *Delivery of Cooperative Development Assistance.* The applicant must describe its previous accomplishments and outcomes in Cooperative development

activities and/or its potential for effective delivery of Cooperative development services to rural areas. The description(s) should be addressed under proposal narrative criterion in 7 CFR 4284.510(c)(5)(vii) utilizing the specific requirements of technical assistance and other services in Section E.1(b) of this notice.

(g) *Qualifications of Personnel.* Applicants must describe the qualifications of personnel expected to perform key center tasks, and whether these personnel are to be full/part-time Center employees or contract personnel. All requirements of 7 CFR 4284.510(c)(5)(viii) should be addressed under the proposal narrative criterion, utilizing the specific requirements of qualifications of those performing the tasks in Section E.1(i) of this Notice.

(h) *Support and Commitments and Future Support.* Applicants must describe the level of support and commitment in the community for the proposed Center and the services it would provide under 7 CFR 4284.510(c)(5)(ix) and the future support and funding under 7 CFR 4284.510(c)(5)(x) utilizing the requirements of commitment in Section E.1(f) and local and future support in Section E.1(j) of this notice.

(i) Applications will not be considered for funding if they do not address all the proposal evaluation criteria. See application review information in Section E.1. of this notice for a description of the proposal evaluation criteria.

(j) Only appendices A-C will be considered when evaluating applications. Do not include resumes of staff or consultants in the application.

(6) *No Current Outstanding Federal Judgments Certification.* Each applicant must certify that the United States has not obtained an unsatisfied judgement against its property, is not delinquent on the payment of federal income taxes or any other federal debt and will not use grant funds to pay judgments obtained by the United States. Applicants should make this certification within their application with this statement in

the application: “[INSERT NAME OF APPLICANT] certifies that the United States has not obtained an unsatisfied judgment against its property, is not delinquent on the payment of Federal income taxes, or any Federal debt, and will not use grant funds to pay any judgments obtained by the United States.” A separate signature relating to this certification is not required.

(7) *Certification.* Applicants must certify that they have obtained matching funds as required by 7 CFR 4284.510(c)(7). Applicants should make this certification within their certification ,with this statement: “[INSERT NAME OF APPLICANT] certifies that matching funds will be available at the same time grant funds are anticipated to be spent and that expenditures of matching funds shall be pro-rated or spent in advance of grant funding, such that for every dollar of the total project cost, at least 25 cents (5 cents for 1994 Institutions) of matching funds will be expended.” A separate signature relating to this certification is not required.

(8) *Verification of Matching Funds.* Applicants must verify all matching funds. The documentation must be included in Appendix A of the application and will not count towards the 40-page limitation. The Agency recommends making this verification with a template letter, but the template is not required. Template letters are available for each type of matching funds contribution at: <http://www.rd.usda.gov/programs-services/rural-cooperative-development-grant-program>.

(a) *Matching funds provided in cash.* The following requirements must be met:

(A) *Provided by the Applicant.* The application must include a statement verifying (1) the amount of the cash and, (2) the source of the cash. Applicants may also provide a bank statement dated 30 days or less from the application deadline date to verify a cash match.

(B) *Provided by a Third-Party.* The application must include a signed letter from the third party verifying (1) how much cash will be donated and (2)

that it will be available corresponding to the proposed time frame or donated on a specific date within the grant performance period.

(b) *Matching funds provided by an in-kind donation.* The following requirements must be met:

(A) *Provided by the Applicant.* The application must include a signed letter from the applicant or the authorized representative verifying (1) the nature of the goods and/or services to be donated and how they will be used, (2) when the goods and/or services will be donated (i.e., corresponding to the proposed grant performance period or to specific dates within the specified time frame), and (3) the value of the goods and/or services. Please note that most applicant contributions for the RCDG program are considered applicant cash match in accordance with this notice. Applicants needing clarification for verification of matching funds should contact the Rural Development State Office. Identifying matching funds improperly can affect application scoring.

(B) *Provided by a Third-Party.* The application must include a signed letter from the third party verifying (1) the nature of the goods and/or services to be donated and how they will be used, (2) when the goods and/or services will be donated (i.e., corresponding to the proposed grant performance period or to specific dates within the grant performance period), and (3) the value of the goods and/or services.

(c) To ensure applicants are identifying and verifying matching funds appropriately, please note the following:

(A) If applicants are paying for goods and/or services as part of the matching funds requirement, the expenditure is considered a cash match, and must verify it as such. Universities must verify the goods and services they are

providing to the project as a cash match and the verification must be approved by the appropriate approval official (i.e., sponsored programs office or equivalent).

(B) If applicants have already received cash from a third party (e.g., a foundation) before the start of the proposed grant performance period, the applicant must verify this as its own cash match and not as a third-party cash match. If applicants are receiving cash from a third party during the grant performance period, then the applicant must verify the cash as a third-party cash match.

(C) Board resolutions for a cash match must be approved at the time of application.

(D) Applicants can only consider goods or services for which no expenditure is made as an in-kind contribution.

(E) If a non-profit or another organization contributes the services of affiliated volunteers, they must follow the third-party, in-kind donation verification requirement for each individual volunteer.

(F) Expected program income may not be used to fulfill the applicant matching funds requirement at the time of the application submission. If the applicant has a contract to provide services in place at the time of application submission, then they must submit the contract with the application, and applicants can verify the amount of the contract as a cash match.

(G) The valuation processes used for in-kind contributions do not need to be included in the application, but applicants must be able to demonstrate how the valuation was derived if a grant is awarded. The grant award may be withdrawn, or the amount of the grant reduced if applicant cannot demonstrate how the valuation was derived.

Successful applicants must comply with requirements identified in
Section F, Federal Award Administration Information.

(c) *Completeness.* An application will not be considered for funding if it fails to meet all eligibility criteria by the application deadline or does not provide sufficient information to determine eligibility and scoring. Applicants must include, in one submission to the Agency, all the forms and proposal elements as discussed in the program regulation and as clarified further in this notice. Incomplete applications will not be reviewed by the Agency.

3. *System for Award Management and Unique Entity Identifier.*

(a) At the time of application, each applicant must have an active registration in the System for Award Management (SAM) before submitting its application in accordance with 2 CFR part 25. To register in SAM, entities will be required to obtain a UEI. Instructions for obtaining the UEI are available at <https://sam.gov/content/entity-registration>.

(b) Applicant must maintain an active SAM registration, with current, accurate and complete information, at all times during which it has an active Federal award or an application under consideration by a Federal awarding agency.

(c) Applicant must ensure they complete the Financial Assistance General Representations and Certifications in SAM.

(d) Applicants must provide a valid UEI in its application, unless determined exempt under 2 CFR 25.110.

(e) The Agency will not make an award until the applicant has complied with all SAM requirements including providing the UEI. If an applicant has not fully complied with the requirements by the time the Agency is ready to make an award, the Agency may determine that the applicant is not qualified to receive a Federal award and use that determination as a basis for making a Federal award to another applicant.

4. *Submission Dates and Times.*

(a) *Application Technical Assistance.* Prior to official submission of applications, applicants may request technical assistance or other application guidance from the Agency, if such requests are made prior to **[INSERT DATE 30 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. Agency contact information can be found in Section G of this notice.

(b) *Application Deadline Date.* Completed applications must be submitted electronically through www.grants.gov and received no later than 11:59 p.m. Eastern Time on **[INSERT DATE 60 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER]**, to be eligible for grant funding. Please review the Grants.gov website at <https://www.grants.gov/web/grants/register.html> for instructions on the process of registering an organization as soon as possible to ensure that all electronic application deadlines are met. Grants.gov will not accept applications submitted after the deadline.

The Agency will not consider new scoring or eligibility information that is submitted after the application deadline. RBCS also reserves the right to ask applicants for clarifying information and additional verification of assertions in the application.

5. *Intergovernmental Review.* Executive Order (E.O.) 12372, “Intergovernmental Review of Federal Programs,” applies to this program. This E.O. requires that Federal agencies provide opportunities for consultation on proposed assistance with State and local governments. Many states have established a Single Point of Contact (SPOC) to facilitate this consultation. For a list of States that maintain a SPOC, please see the White House Web site:

<https://www.whitehouse.gov/omb/management/office-federal-financial-management/>. If the applicant’s State has a SPOC, then a copy of the application must be submitted for review. Any comments obtained through the SPOC must be provided to the applicant’s State Office for consideration as part of the application. If the applicant’s State has not established a SPOC, applications may be submitted directly to the Agency. Applications from federally recognized Indian Tribes are not subject to this requirement.

6. *Funding Restrictions.*

(a) The use of grant funds is outlined at 7 CFR 4284.508. Grant funds may be used to pay for up to 75 percent of the cost of establishing and operating centers for rural cooperative development. Grant funds may be used to pay for 95 percent of the cost of establishing and operating centers for rural cooperative development when the applicant is a college identified as a “1994 Institution” for purposes of the Equity in Educational Land-Grant Status Act of 1994, as defined by 7 U.S.C. 301 note; Pub. L. 103-382, as amended.

(b) As required by 7 U.S.C. Chapter 38, Subchapter VII and 7 CFR Part 990, no assistance or funding can be provided to a hemp producer unless they have a valid license issued from an approved State, Tribal or Federal plan as defined by 7 USC 1639*o*. Verification of valid hemp licenses will occur at the time of award.

(c) Project funds, including grant and matching funds, cannot be used for ineligible grant purposes as provided in 7 CFR 4284.10. Also, applicants shall not use project funds for the following:

- (1) To purchase, rent, or install laboratory equipment or processing machinery;
- (2) To pay for the operating costs of any entity receiving assistance from the Center;
- (3) To pay costs of the project where a conflict of interest exists;
- (4) To fund any activities prohibited by 2 CFR part 200; or
- (5) To fund any activities considered unallowable by 2 CFR part 200, Subpart E, “Cost Principles,” and the Federal Acquisition Regulation or successor regulations.

(d) In addition, applications will not be considered for funding if it does any of the following:

- (1) Focuses assistance on only one cooperative or mutually owned business;
- (2) Requests more than the maximum grant amount; or
- (3) Proposes ineligible costs that equal more than 10 percent of total project costs.

The ineligible costs will NOT be removed at this stage to proceed with application

processing. For purposes of this determination, the grant amount requested plus the matching funds amount constitutes the total project costs.

(e) We will consider applications for funding that include ineligible costs of 10 percent or less of total project costs if the remaining costs are determined eligible. If the application is successful, ineligible costs must be removed and replaced with eligible costs before the Agency makes the grant award, or the amount of the grant award will be reduced accordingly. If the Agency cannot determine the percentage of ineligible costs due to lack of detail, the application will not be considered for funding.

7. Other Submission Requirements. Applications must be submitted electronically. Note that we cannot accept applications submitted through mail or courier delivery, in-person delivery, email, or fax. For electronic applications, applicants must follow the instruction for this funding announcement at <http://www.grants.gov>. Applicants can locate the Grants.gov downloadable application package for this program by using a keyword, the program name, Assistance Listing Number or the Funding Opportunity Number for this program.

Users of Grants.gov must already have a UEI number and must also be registered and maintain registration in SAM in accordance with 2 CFR Part 25. The UEI is assigned by SAM and replaces the formerly known Dun & Bradstreet DUNS Number. The UEI number must be associated with the correct tax identification number of the RCDG applicant. We strongly recommend that applicants do not wait until the application deadline date to begin the application process through Grants.gov.

All application documents must be submitted through Grants.gov. Applications must include electronic signatures. Original signatures may be required if funds are awarded. After electronically applying through Grants.gov, applicants will receive an automated acknowledgement from Grants.gov that contains a Grants.gov tracking number.

E. Application Review Information

1. *Criteria.* Scoring criteria will follow statutory criteria in 7 U.S.C. 1932(e), the criteria published in the program regulations at 7 CFR 4284.513, and criteria in this notice. Applicants should also include Content and Form of Application Submission information as described in Section D.2. if addressing these items under the scoring criteria. Evaluators will base scores only on the information provided or cross-referenced by page number in each individual evaluation criterion. The maximum number of points available is 110. Newly established or proposed Centers that do not yet have a track record on which to evaluate the criteria should refer to the expertise and track records of staff or consultants expected to perform tasks related to the respective criteria. Proposed or newly established Centers must be organized well enough at the time of application to address their capabilities for meeting these criteria.

The clarifications provided below are in addition to, and do not replace the guidance provided in 7 CFR 4284.513,

(a) *Administrative Capabilities.* Maximum score of ten points. At a minimum, applicants must discuss the administrative capabilities provided in 7 CFR 4284.513(a) and expertise in administering Federal grant funding within the last five years, including but not limited to past RCDG awards. Please list the name of the Federal grant program(s), the amount(s), and the date(s) of funding received.

Applicants will score higher on this criterion by demonstrating that the Center has independent governance. Applicants that are universities or parent organizations should demonstrate that there is a separate board of directors for the Center.

(b) *Technical Assistance and Other Services.* Maximum score of ten points. Applicants demonstrated expertise within the last five years in providing technical assistance and accomplishing effective outcomes in rural areas to promote and assist the development of cooperatively and mutually owned businesses will be evaluated. At a minimum, applicants must discuss:

(1) Potential for delivering effective technical assistance;

- (2) The types of assistance provided;
- (3) The expected effects of that assistance;
- (4) The sustainability of organizations receiving the assistance; and
- (5) The transferability of the applicant's cooperative development strategies and focus to other areas of the United States.

A chart or table showing the outcomes of the demonstrated expertise based upon the performance elements listed in Section D.2. b.5.c or as identified in the award document on previous RCDG awards is recommended. At a minimum, please provide information for FY 2018 to FY 2022 awards. Applicants may also include any performance outcomes from a FY 2022 RCDG award. It is preferred that one chart or table for each award year be provided. The intention is for the applicant to provide actual performance numbers based upon award years (fiscal year) even though the grant performance period for the award was implemented during the next calendar or fiscal year. If applicants have not previously received an RCDG award, provide a narrative of explanation.

Applicants will score higher on this criterion by providing evidence of outcomes for more than three fiscal year awards and demonstrating that any organizations assisted within the last five years are sustainable. Please describe specific project(s) when addressing items 1-5 of paragraph (b) of criteria in this notice. To reduce duplication, descriptions of specific projects and their impacts, outcomes, and roles can be discussed once under criterion (b) or (c) of this notice. Applicants must cross-reference the information under the other criterion.

(c) *Economic Development*. Maximum score of ten points. Applicant's demonstrated ability to assist in the development of the items listed in 7 CFR 4284.513(c) or mutually owned businesses will be evaluated. Examples of facilitating development of new cooperative approaches are organizing cooperatives among underserved individuals or communities; an innovative market approach; a type of cooperative currently not in the applicant's service area; a

new cooperative structure; novel ways to raise member equity or community capitalization; conversion of an existing business to cooperative ownership.

Applicants will score higher on the economic development criteria by providing quantifiable economic measurements showing the impacts of past development projects within the last five years, and details of the applicant's role in economic development outcomes.

(d) *Past performance in Establishing Legal Business Entities*. Maximum score of ten points. Applicants demonstrating past performance in establishing legal cooperative business entities and other legal business entities since October 1, 2018, will be evaluated. Provide the name of the organization(s) established, the date(s) of formation, and the applicant's role(s) in assisting with the incorporation(s) under this criterion. Documentation verifying the establishment of legal business entities must be included in Appendix C of the application and will not count against the 40-page limit for the narrative. The documentation must include proof that organizational documents were filed with the Secretary of State's Office (i.e., Certificate of Incorporation or information from the State's official website naming the entity established and the date of establishment); or if the business entity is not required to register with the Secretary of State, or a certification from the business entity that a legal business entity has been established and when. Please note that applicants are not required to submit articles of incorporation to receive points under this criterion. Applicants that are an established legal cooperative business will score higher on this criterion. If the applicant's State does not incorporate cooperative business entities, please describe how the established business entity operates like a cooperative. Examples may include, but are not limited to, principles and practices of shared ownership, democratic control, and distribution of net income based on use of the business rather than equity contributed. Due to extenuating circumstances of COVID-19, the Agency will utilize information in the narrative to score this criterion. Documentation to verify past performance in establishing legal entities will be required before an award is made.

(e) *Networking and Regional Focus*. Maximum score of ten points. A panel of USDA employees will evaluate the applicant's demonstrated commitment to:

(1) Networking with other cooperative development centers, and other organizations involved in rural economic development efforts, and

(2) Developing multi-organizational and multi-State approaches to addressing the economic development and cooperative needs of rural areas.

Applicants will score higher on this criterion by demonstrating the outcomes of multi-organizational and multi-State approaches. Please describe the project(s), partners and the outcome(s) that resulted from the approach.

(f) *Commitment*. Maximum score of ten points. See 7 CFR 4284.513(e). Applicants will score higher on this criterion by defining and describing the underserved and economically distressed areas within the service area, provide economic statistics, and identify past or current projects within or affecting these areas, as appropriate. Persistent poverty counties provisions are included in the Consolidated Appropriations Act of 2023, therefore projects identified in the work plan and budget that are located in persistent poverty counties, will score higher on this criterion.

(g) *Matching Funds*. Maximum score of ten points. Applicants matching funds requirements will be evaluated on requirements listed in 7 CFR 4284.513(f). A chart or table should be provided to describe all matching funds being committed to the project. Formal documentation to verify all the matching funds must be included in Appendix A of the application. Applicants will be scored on the total amount and type of matching funds (cash vs. in-kind). You will be scored on the total amount and how you identify your matching funds.

(1) If you meet the 25 percent (5 percent for 1994 Institutions) matching funds requirement, points will be assigned as follows:

(i) In-kind only – 1 point;

- (ii) Mix of in-kind and cash – 3-4 points (maximum points will be awarded if the ratio of cash to in-kind is 30 percent or more); or
- (iii) Cash only – 5 points.

(2) If you exceed the 25 percent (5 percent for 1994 Institutions) matching funds requirement, points will be assigned as follows:

- (i) In-kind only – 2 points;
- (i) Mix of in-kind and cash – 6-7 points (maximum points will be awarded if the ratio of cash to in-kind is 30 percent or more); or
- (iii) Cash only – up to 10 points.

(h) *Work Plan/Budget*. Maximum score of ten points. Applicant's work plan will be evaluated for detailed actions and an accompanying timetable for implementing the proposal. The budget must present a breakdown of the estimated costs associated with cooperative and business development activities as well as the operation of the Center and allocate these costs to each of the tasks to be undertaken. Matching funds as well as grant funds must be accounted for separately in the budget. At a minimum, the following should be discussed.

- (1) Specific tasks (whether it be by type of service or specific project) to be completed using grant and matching funds;
- (2) How customers will be identified;
- (3) Key personnel; and
- (4) The evaluation methods to be used to determine the success of specific tasks and overall objectives of Center operations. Please provide qualitative methods of evaluation. For example, evaluation methods should go beyond quantitative measurements of completing surveys or number of evaluations.

Applicants will score higher on this criterion by presenting a clear, logical, realistic, and efficient work plan and budget.

(i) *Qualifications of those Performing the Tasks.* Maximum score of ten points. The application will be evaluated to determine if the requirements of 7 CFR 4284.513(i) have been met. The application must indicate whether the personnel expected to perform the tasks are full/part-time employees of the organization or are contract personnel. Applicants will score higher on this criterion by demonstrating commitment and availability of qualified personnel expected to perform the tasks.

(j) *Local and Future Support.* Maximum score of ten points. A panel of USDA employees will evaluate each application for local and future support. Support should be discussed directly when responding to this criterion.

(1) Discussion of local support should include previous and/or expected local support and plans for coordinating with other developmental organizations in the proposed service area, or with state and local government institutions. Applicants will score higher by demonstrating strong support from potential beneficiaries and formal evidence of intent to coordinate with other developmental organizations. Applicants may also submit a maximum of ten letters of support or intent to coordinate with the applicant to verify discussion of local support. These letters should be included in Appendix B of the application and will not count against the 40-page limit for the narrative. Documentation to verify local support will be required before an award is made.

(2) Discussion of future support is required in the applicant's vision for funding operations in future years. Applicants should document:

- (i) New and existing funding sources that support applicant goals;
- (ii) Alternative funding sources that reduce reliance on Federal, State, and local grants; and
- (iii) The use of in-house personnel for providing services versus contracting out for expertise. Please discuss the strategy for building in-house technical assistance capacity.

Applicants will score higher by demonstrating that future support will result in long-term sustainability of the Center, including the fostering of in-house personnel development in order to provide services.

(k) *Administrator Discretionary Points* (maximum of 10 points). The Administrator may choose to award up to 10 points to an eligible non-profit corporation or institution of higher education that has never previously been awarded an RCDG grant or whose application seeks to advance the key priorities addressed in the Supplemental Section of this notice. Data sources for the key priorities are found at:

<https://www.rd.usda.gov/priority-points>. Points will be assigned as follows:

- (1) Applicant has never received a RCDG award – 5 points;
- (2) Applicant seeks to advance one or more key priorities addressed in the Supplemental Section of this notice – 5 points

2. *Review and selection process.* The State Offices will review applications to determine if they are eligible for assistance based on requirements in 7 CFR part 4284, subparts A and F, this Notice, and other applicable Federal regulations. If determined eligible, your application will be scored by a panel of USDA employees in accordance with the point allocation specified in this Notice. The Administrator may choose to award up to 10 Administrator priority points based on criterion (k) in section E.1. of this Notice. These points will be added to the cumulative score for a total possible score of

110. Applications will be funded in highest ranking order until the appropriations funding limitation for the RCDG program has been reached. Applications that cannot be fully funded may be offered partial funding at the Agency's discretion. If your application is evaluated, but not funded, it will not be carried forward into the competition for any subsequent fiscal year program funding. Successful applicants must comply with requirements identified in Section F, Federal Award Administration Information.

2. Review and Selection Process. The USDA Rural Development State Office will review applications to determine if they are eligible for assistance based on requirements in 7 CFR part 4284, subparts A and F, this notice, and other applicable Federal regulations. If determined eligible, applications will be scored by a panel of USDA employees in accordance with the point allocation specified in Section E.1 of this notice. The Administrator may choose to award up to ten Administrator priority points based on criteria (k) in Section E.1. of this Notice. These points will be added to the cumulative score for a total possible score of 110. Applications will be funded in highest ranking order until the appropriations funding limitation for the RCDG program has been reached. Applications that cannot be fully funded may be offered partial funding at the Agency's discretion. The Agency reserves the right to offer the applicant less than the grant funding requested. Applications evaluated, but not funded, will not be carried forward into the competition for any subsequent fiscal year program funding. Successful applicants must comply with requirements identified in Section F of this notice.

F. Federal Award Administration Information

1. Federal Award Notices. If an application is selected for funding, the applicant will receive a signed notice of Federal award by postal or electronic mail from the USDA Rural Development State Office where the applicant is located containing instructions and requirements necessary to proceed with execution and performance of the award. Applicants must comply with all applicable statutes, regulations, and notice requirements before the grant award will be funded.

Applicants not selected for funding, will be notified in writing via postal or electronic mail and informed of any review and appeal rights. See 7 CFR part 11 for USDA National Appeals Division (NAD) procedures. Note that rejected applicants that are successful in their NAD appeals will not receive funding if all FY 2023 RCDG program funding has already been awarded and obligated to other applicants.

2. Administrative and National Policy Requirements. Additional requirements that apply to grantees selected for this program can be found in 7 CFR part 4284, subpart F; the Grants and

Agreements regulations of the Department of Agriculture codified in 2 CFR parts 180, 200, 400, 415, 417, 418, 421; 2 CFR parts 25 and 170; and 48 CFR part 31, and successor regulations to these parts.

In addition, all recipients of Federal financial assistance are required to report information about first tier subawards and executive compensation in accordance with 2 CFR part 170. Applicants will be required to have the necessary processes and systems in place to comply with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109-282) reporting requirements (see 2 CFR 170.200(b), unless exempt under 2 CFR 170.110(b)).

The following additional requirements apply to grantees selected for awards within this program:

(a) Execution of Form RD 4280-2 Renewable Energy/Energy Efficiency Grant Agreement;

(b) Acceptance of a written Letter of Conditions; and submission of the following Agency forms:

(1) Form RD 1940-1, "Request for Obligation of Funds."

(2) Form RD 1942-46, "Letter of Intent to Meet Conditions."

(3) SF LLL, "Disclosure of Lobbying Activities," if applicable.

3. *Reporting.* After grant approval and through grant completion, applicants will be required to provide an SF-425, "Federal Financial Report," and a project performance report on a semiannual basis (due 30 working days after the end of the semiannual period). The project performance reports shall include the following:

(a) A comparison of actual accomplishments to the objectives established for that period;

(b) Reasons why established objectives were not met, if applicable;

(c) Reasons for any problems, delays, or adverse conditions, if any, which have affected or will affect attainment of overall project objectives, prevent meeting time schedules or objectives, or preclude the attainment of particular objectives during established time periods.

This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation; and

(d) Objectives and timetable established for the next reporting period.

The grantee must provide a final project and financial status report within 90 days after the expiration or termination of the grant performance period with a summary of the project performance reports and final deliverables to close out a grant in accordance with 2 CFR 200.344.

G. Federal Awarding Agency Contact(s) – For general questions about this announcement, please contact the USDA Rural Development State Office provided in the **ADDRESSES** section of this notice.

H. Other Information

1. *Paperwork Reduction Act.* In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35), the information collection requirements associated with the programs, as covered in this notice, have been approved by the Office of Management and Budget (OMB) under OMB Control Number 0570–0006.

2. *National Environmental Policy Act.* All recipients under this Notice are subject to the requirements of 7 CFR part 1970. awards for technical assistance and training under this Notice are classified as a Categorical Exclusion under to 7 CFR 1970.53(b), and usually do not require any additional documentation. RBCS will review each grant application to determine its compliance with 7 CFR part 1970. The applicant may be asked to provide additional information or documentation to assist RBS with this determination. A review for NEPA compliance is required prior to the award of grant funds.

3. *Federal Funding Accountability and Transparency Act.* All applicants, in accordance with 2 CFR part 25, must be registered in SAM and have a UEI number as stated in Section D.3 of this

notice. All recipients of Federal funding are required to report information about first-tier sub-awards and executive total compensation in accordance with 2 CFR part 170.

4. *Civil Rights Act.* All grants made under this notice are subject to Title VI of the Civil Rights Act of 1964 as required by the USDA (7 CFR part 15, subpart A and Section 504 of the Rehabilitation Act of 1973, Title VIII of the Civil Rights Act of 1968, Title IX, Executive Order 13166 (Limited English Proficiency), Executive Order 11246, and the Equal Credit Opportunity Act of 1974).

5. *Nondiscrimination Statement.* In accordance with Federal civil rights laws and USDA civil rights regulations and policies, the USDA, its Mission Areas, agencies, staff offices, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotope, American Sign Language) should contact the responsible Mission Area, agency, or staff office; the USDA TARGET Center at (202) 720-2600 (voice and TTY); or the 711 Relay Service.

To file a program discrimination complaint, a complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form, which can be obtained online at <https://www.usda.gov/sites/default/files/documents/ad-3027.pdf>, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged

discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

(a) Mail: U.S. Department of Agriculture

Office of the Assistant Secretary for Civil Rights

1400 Independence Avenue, SW

Washington, D.C. 20250-9410; or

(b) Fax: (833) 256-1665 or (202) 690-7442; or

(c) Email: program.intake@usda.gov

USDA is an equal opportunity provider, employer, and lender.

Karama Neal,
Administrator,
Rural Business-Cooperative Service,
USDA Rural Development.

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